



Dear Property Owner:

The administrative appeal process in Arizona allows a taxpayer to request a review of the Assessor's determination of the *full cash value* (FCV) and/or the legal classification of the property, but not of the *limited property value* (LPV). In the 2012 general election Proposition 117 was a voter approved initiative which limits the increase of the Limited Property Value to 5% per year which is the sole value use to calculate Primary and Secondary taxes. This begins in tax year 2015. What this means to you, as a property owner, is that no matter how high your FCV increases as a result of market conditions, your LPV will be limited to 5% increases per year, unless there has been an addition or deletion to your property.

To review the appeal process, let's take a look at a simplified timeline for the Assessor's 2015 Notice of Value (NOV) and Treasurer's 2015 Tax Bill...

- **Market Conditions:** Did you know, the market conditions the Assessor uses to determine property values are almost two and a half (2 ½) years before the Treasurer sends the Tax Bill. The Assessor reviews the market conditions from the middle of 2012 to middle of 2013 to determine the property valuation for the 2015 Tax Bill.
- **Notice of Value (NOV):** By law (A.R.S. § 42-15101), the Assessor must send the 2015 NOV between January 1- March 1, 2014 (the 2015 NOV was mailed on February 21, 2015); keep in mind, this notice of value is NOT a tax bill.
- **Tax Bill:** The Treasurer sends the 2015 Tax Bill in September 2015 (a year and a half after the Assessor sent the 2015 NOV and two and a half years from the market conditions which determined this value).

There are two (2) ways to appeal your property valuation from the Assessor...

1) **Assessor Level Appeal** (A.R.S. § 42-15104 and § 42-16051)

If a property owner feels the Assessor's 2015 NOV is too high or otherwise improperly valued they have the right to file an appeal. Appeal forms can be found at www.maricopa.gov/Assessor/PropertyValueAppeals.gov

Deadline: The Petition For Review of Real Property Valuation (appeal) must be filed within 60 days from the date the Assessor mailed the 2015 NOV (the 2015 NOV was sent on February 21, 2014 so the appeal deadline for the 2015 NOV is April 22, 2014).

The Assessor must answer all petitions for the 2015 NOV by August 15, 2014. If the property owner is not satisfied with the Assessor's decisions they can file with the State Board of Equalization.

a. **State Board of Equalization (SBOE):**

At this level, a hearing will be scheduled and the issue will be brought in front of a mediator who hears from both the property owners and the Assessor's office. The SBOE makes the final decision on the value.

Deadline: To appeal at SBOE you must file within twenty-five (25) days from the date of the Assessor's Appeal decision.

More information can be found at www.sboe.state.az.us



Maricopa County Assessor
Paul D. Petersen

2015 VALUATION, APPEAL AND TAXATION PROCESS

The SBOE must provide decisions to property owners for the 2015 NOV by October 15, 2014.

2) Tax Court (A.R.S. § 42-16201):

If you missed the Assessor Level deadline or just want to go directly to court and bypass the administrative process, you have the right to file with the Arizona Tax Court or Small Claims Court (on all residential property and on values under \$2 million). Property valued over \$2 million is tried in Superior Court.

Deadline: You must file no later than December 15th of the same year you received your Notice of Value (not the tax year that the value is for). For the 2015 NOV you have until December 15, 2014 to file.

Information can be found at...

- Tax Court or Small Claims Court call 602-506-8297, 125 West Washington Phoenix, AZ.
- Superior Court www.superiorcourt.maricopa.gov

Once the appeals process is complete, the Assessor makes corrections to the tax roll based upon the appeal decisions and sends the final roll to each taxing jurisdiction (cities, schools, community colleges and special districts such as fire and health, etc.). Each jurisdiction (listed on your tax bill) must publish a budget that estimates their spending and what they expect to collect in taxes, and then they hold hearings to solicit taxpayer feedback. This budget process occurs between February and July of each year.

On the third Monday in August, 2014 the Maricopa County Board of Supervisor's adopts the tax rates from all jurisdictions. This allows the Treasurer to start the process of collecting property taxes. The Treasurer's office will calculate the tax bill for each individual property owner based on your 2014 NOV that was mailed to you in February of 2013 and will send the 2014 Tax Bills in September 2014.

By law, neither the Assessor, nor the Tax Court, are able to accept appeals for any previous notice of values after the original deadlines as listed above.

There are only two exceptions to appeal deadlines (A.R.S. § 42-16205):

- 1) An appeal to court from the SBOE or a county board of equalization relating to changes in assessments under A.R.S. § 42-15105 due to new construction, additions to or deletion from assessment parcels or changes in property use that occur after September 30th of the preceding year and before October 1st of the valuation year shall be filed within sixty (60) days after the date of mailing the decision;
- 2) A new owner of a property that was valued by the assessor and whose valuation or legal classification was not appealed by the former owner of the property may appeal the valuation or legal classification to the tax court on or before December 15th of the year in which the taxes are levied.

We hope that this letter has clarified the Arizona property valuation, appeal and taxation process for you. If you have any questions or need further assistance please contact the Maricopa County Assessor at 602-506-3406

Thank you for this opportunity to serve you.

Maricopa County Assessor